

FINANCIAL STATEMENT
DIVISION OF WORKMEN'S COMPENSATION
FISCAL YEAR
JULY 1, 1972 TO JUNE 30, 1973

The Workmen's Compensation Division of the Department of Labor and Industry
Financial Statement for Plan III Industrial Insurance Fund

Period: July 1, 1972 to June 30, 1973

Exhibit A

Assets

Current Assets:

Industrial Insurance Fund		\$	599,299.82
Due Premium	\$	104,033.37	
Less Bad Debts		47,569.79	56,463.58

Fixed Assets:

Furniture	54,275.15	
Office Equipment	70,687.17	
Scientific Equipment	13,455.39	
Library	3,588.88	142,006.59

Long Term Assets:

Bonds	18,144,099.07	
FHA Mortgages	769,480.76	18,913,579.83

Total Assets \$19,711,349.82

Liabilities

Current Liabilities:

Advance Deposits	1,184,623.53	
Dividend Payable	650,296.62	
Dividend Contingency Fund	9,182.47	1,844,102.62

Current Claims Liability:

Medical Only Liability	550,000.00	
Compensation Liability	6,193,002.66	
Medical Reserve Liability	2,387,106.54	9,130,109.20

Future Liabilities:

Unreported Claims	3,075,000.00	
Reopened Claims	660,138.00	
Reserve Claims Fluctuation	1,533,000.00	
Reserve Cost Fluctuation	500,000.00	
Reserve Catastrophe	750,000.00	
Reserve Security Valuation	530,000.00	
Total Permanent Lifetime	700,000.00	
Rate Stabilization	589,000.00	
Claims Expense	400,000.00	8,737,138.00

Total Liabilities \$19,711,349.82

The Workmen's Compensation Division of the Department of Labor and Industry
Statement of Operations for Plan III Industrial Insurance

Period: July 1, 1972 to June 30, 1973

Together with Percentage of each \$100.00 of Income

Exhibit B

Income:		Percentage
Premium Income	\$ 9,504,348.69	88.9
Earned Interest	1,089,085.86	10.2
Recoveries & Other Receipts	<u>96,871.40</u>	<u>.9</u>
Total Income	\$10,690,305.95	100.0
Expense Claims:		
Compensation	\$ 4,417,332.98	41.3
Medical	<u>1,724,684.68</u>	<u>16.3</u>
Total Claims	\$ 6,142,017.66	57.6
Other Expenses:		
Vocational Rehabilitation Assessments	\$ 42,728.67	.39
Administrative Fund	590,000.00	5.51
Loss Adjustment Account	<u>800,000.00</u>	<u>7.48</u>
Total Expenses	\$ 7,574,746.33	70.98
Excess of Income over Expenses	\$ 3,115,559.62	29.14
Reserve Increases - Exhibit C	\$ 2,465,263.00	23.06
Amount Available for Dividend	\$ 650,296.62	6.08

The Workmen's Compensation Division of The Department of Labor and Industry
Analysis of Refund to Participants

Payable During Fiscal Year Ending June 30, 1973

Exhibit C

Income \$3,115,559.62

Less Reserve Increases:

Compensation Liability \$1,124,938.28

Medical Only 25,820.36

Medical 668,947.36

Unreported Claims 75,000.00

Claims Expense 200,000.00

Security Valuation Reserve 182,245.00

Claims Fluctuation 188,312.00

\$2,465,263.00

Amount Available for Dividend \$ 650,296.62

The Workmen's Compensation Division of The Department of Labor and Industry
Statement of Cash Receipts for Industrial Insurance Fund

Period: July 1, 1972 to June 30, 1973

Exhibit D

Receipts - Schedule I

Cash Premium	\$ 9,473,633.92
Advance Deposits	271,395.50
Total Other Receipts	96,871.40
Total Investment Receipts	<u>14,630,362.17</u>
Total Receipts	\$24,472,262.99
Total Industrial Insurance Fund 6-30-72	52,967.69
Outstanding Warrants Written Off	<u>4,857.82</u>
	<u><u>\$24,530,088.50</u></u>

Handwritten note: Bonds on what

The Workmen's Compensation Division of The Department of Labor and Industry
Statement of Cash Disbursements for Industrial Insurance Fund

Period: July 1, 1972 to June 30, 1973

Exhibit E

Net Disbursements Schedule II

Compensation	\$4,417,332.98	
Medical	1,724,684.68	
Total Compensation & Medical		\$ 6,142,017.66
Total Other Disbursements		<u>17,772,817.25</u> ✓
Total Net Disbursements		\$23,914,834.91
Plus Refunds Included in Cash Receipts and Deducted from Net Disbursements		15,953.77
Total Industrial Insurance Fund 6-30-73		<u>599,299.82</u>
		<u>\$24,530,088.50</u>

The Workmen's Compensation Division of The Department of Labor and Industry
Comparative Statement of Assets for Plan III Industrial Insurance Fund

Period: July 1, 1972 to June 30, 1973

Exhibit F

	Year Ended 06-30-73	Per Cent of Total	Year Ended 06-30-73	Per Cent of Total
Bonds	\$18,144,099.07	92.04	\$16,011,000.00	93.32
Mortgages	769,480.76	3.90	882,982.79	5.15
Industrial Insurance Fund	550,690.54	2.79	48,187.21	.28
Cash in Office	{ 47,094.84	.23	3,396.93	.03
Suspense Fund	{ 1,514.44	.04	1,383.55	.01
Due Premium	56,463.58	.28	103,160.60	.60
Capital Equipment	<u>142,006.59</u>	<u>.72</u>	<u>105,615.55</u>	<u>.61</u>
	<u>\$19,711,349.82</u>	<u>100.00</u>	<u>\$17,155,726.63</u>	<u>100.00</u>

The Workmen's Compensation Division of The Department of Labor and Industry
 Brief Comparison of Liabilities and Reserves
 of the Current Year with Those of the Prior Year
 For Plan III Industrial Insurance Fund

Exhibit G

	Year Ended 06-30-73	Year Ended 06-30-72	Increase Or (Decrease)
Advance Deposits	\$ 1,184,623.53	\$ 1,134,871.54	\$ 49,751.99
Compensation Reserve	6,193,002.66	5,068,064.38	1,124,938.28
Medical Reserve	2,387,106.54	1,718,159.18	668,947.36
Medical Reserve Only	550,000.00	550,000.00	
Reserve for Re-Opened Claims	660,138.00	660,138.00	
Claims Fluctuation Reserve	1,533,000.00	1,344,688.00	188,312.00
Reserve for Un-Reported Claims	3,075,000.00	3,000,000.00	75,000.00
Catastrophe Reserve	750,000.00	750,000.00	
Security Valuation Reserve	530,000.00	347,755.00	182,245.00
Medical Hospital Cost Fluctuation	500,000.00	500,000.00	
Total Permanent Lifetime Benefits	700,000.00	700,000.00	
Reserve for Stabilization of Rates	589,000.00	589,000.00	
Reserve for Claims Expense	400,000.00	200,000.00	200,000.00
Contingent Dividend Liability	9,182.47	3,217.33	5,965.14
Dividend Payable	<u>650,296.62</u>	<u>589,833.20</u>	<u>60,463.42</u>
	<u>\$19,711,349.82</u>	<u>\$17,155,726.63</u>	<u>\$2,555,623.19</u>

The Workmen's Compensation Division of The Department of Labor and Industry
Comparative Statement of Operations
For Plan III Industrial Insurance Fund

Exhibit H

	Year Ended 06-30-73	Year Ended 06-30-72	Increase or (Decrease)
Premium Earned	\$9,504,348.69	\$8,750,267.05	\$ 754,081.64
Benefit Expense	6,142,017.66	6,119,406.48	22,611.18
Excess of Premiums	3,362,331.03	2,630,860.57	
Administrative Fee	590,000.00	500,000.00	90,000.00
Vocational Rehabilitation	42,728.67		
Loss Adjustment Expense	800,000.00	475,000.00	325,000.00
Compensation Liability	1,124,938.28		
Medical Liability	668,947.36		
Claims Expense	200,000.00		
Un-Reported Claims	75,000.00		
Underwriting Loss	139,283.28		
Other Income			
Interest	1,089,085.86		
Recoveries and Other Receipts	96,871.40		
	\$1,046,673.98		
Less Other Reserve Increases:			
Security Valuation Reserve	\$ 182,245.00		
*Claims Fluctuation Reserve	188,312.00		
Medical Only Reserve	<u>25,820.36</u>		
Total Other Reserve Increases	396,377.36		
Amount Available for Dividend	650,296.62		

*This Exhibit has been changed at the request of our Actuary

The Workmen's Compensation Division of The Department of Labor and Industry
Statement of Administrative Fund

Period: July 1, 1972 to June 30, 1973

Exhibit I	Plan I	Plan II	Plan III	Boiler Insp.	OCD	Total
Beginning Balance - 7-1-72	\$(77,484.70)	\$ 76,037.84	\$ 27,206.79	\$(13,287.78)	\$4,517.00	\$ 16,989.15
Less Accruals Paid	5,372.13	5,712.78	12,121.61			(23,306.52)
Plan I Assessment	60,455.79					60,455.79
Plan II Assessment		236,383.20				236,383.20
Plan III Assessment			590,000.00			590,000.00
Boiler Inspection Fee				33,047.35		33,047.35
OCD Filing Fees					4,041.00	4,041.00
Total Funds	\$(22,401.04)	\$306,708.26	\$605,085.18	\$ 19,759.57	\$8,558.00	\$917,709.97
Less:						
Incurred Expenses	<u>\$ 124,761.04</u>	<u>\$339,744.24</u>	<u>\$436,835.77</u>	<u>\$ 60,816.75</u>		<u>\$962,157.80</u>
Ending Balance - June 30, 1973	\$(147,162.08)	\$(33,035.98)	\$168,249.41	\$(41,057.18)	\$8,558.00	\$(44,447.83)
Plus Accruals Not Paid	<u>\$ 6,744.79</u>	<u>\$ 18,468.35</u>	<u>\$ 19,769.06</u>	<u>\$ 3,580.41</u>		<u>\$ 48,562.61</u>
Balance - June 30, 1973	\$(140,417.29)	\$(14,567.63)	\$188,018.47	\$(37,476.77)	\$8,558.00	\$ 4,114.78
Controller Balance - June 30, 1973						\$ 4,114.78

The Workmen's Compensation Division of The Department of Labor and Industry
Statement of Operations for Occupational Disease Agency Account

Period: July 1, 1972 to June 30, 1973

Exhibit J

Assets:

Cash Balance - July 1, 1972 \$ 2,713.59

Add:

Income	5,603.75	
Bond Sales	<u>25,000.00</u>	\$33,317.24

Less:

Warrants Issued - Nos. 310-333	1,052.67	
Purchase of Bonds	<u>25,009.72</u>	<u>26,062.39</u>

Cash Balance - June 30, 1973 \$ 7,254.85

Investments \$84,000.00

Total Cash & Investments \$91,254.85

Liabilities:

Reserve-Compensation	\$ 154.00	
Reserve-Medical	982.48	\$ 1,136.48

Surplus \$90,118.37

Total Liabilities and Surplus \$91,254.85

The Workmen's Compensation Division of The Department of Labor and Industry
Statement of Operations of Second Injury Agency Fund
09158

Period: July 1, 1972 to June 30, 1973

Exhibit K

Cash Balance - July 1, 1972	\$ 3,393.91
Add:	
Income	9,917.66
Less:	
Disbursements - Purchase of Bonds	<u>8,207.66</u>
Cash Balance - June 30, 1973	<u>\$ 5,103.91</u>

RECONCILEMENT

Balance - State Controller - June 30, 1973	\$ 5,103.91
Cash Balance - June 30, 1973	5,103.91
Investments:	
U. S. Note - 6 1/4 % - Due 8-15-79 - Par	27,000.00
Public Service Gas & Electric - 7 3/4 % - Due 8/15/96 - Par	6,000.00
U. S. Note - 6 1/4 % - Due 8/15/79 - Par	<u>8,000.00</u>
Total Investments	\$41,000.00
Total Cash & Investments	<u>\$46,103.91</u>

The Workmen's Compensation Division of The Department of Labor and Industry
Statement of Operations of Industrial Liquidation Fund
09071

Period: July 1, 1972 to June 30, 1973

Exhibit L

Cash Fund Balance - July 1, 1972	\$1,563.92
Cash Fund Balance - June 30, 1973	1,563.92

RECONCILEMENT

Balance - State Controller - June 30, 1973	\$1,563.92
Cash Balance - June 30, 1973	1,563.92

The Workmen's Compensation Division of the Department of Labor and Industry
Statement of Operations of the Volunteer Firemen's Compensation Fund
02226

Period: July 1, 1972 to June 30, 1973

Exhibit M

Cash Balance - July 1, 1972 \$ 423.17

Add:

Receipts from State Auditor	\$ 56,666.71	
Interest	62,586.16	
Bond Redemption	<u>39,392.93</u>	<u>158,645.80</u>
		\$ 159,068.97

Less:

Payments to Fire Departments	\$ 7,850.00	
Bonds Purchased	<u>104,174.46</u>	<u>\$ 112,024.46</u>

Cash Balance - June 30, 1973 \$ 47,044.51

RECONCILEMENT

Balance - State Controller - June 30, 1973 \$ 47,044.51

Ledger Balance - June 30, 1973 \$ 47,044.51

Investments at Par:

Purchase Date	Type Bond	%	Due Date	Amount
07-29-64	U. S. Bond	4	08-15-73	\$ 72,000.00
08-14-72	Chrysler Corp.	7	08-15-79	65,000.00
03-10-72	Northern State Power	7 3/8	03-01-2002	100,000.00
03-10-72	Southern Rail Trust	7	01-15-81	100,000.00
02-25-72	Southeastern Tel.	7.65	02-01-97	50,000.00
02-16-71	Wisconsin Tel.	7 1/4	02-15-2007	240,000.00
10-17-60	U. S. Bond	3 1/2	11-15-80	85,000.00
12-01-60	U. S. Bond	3 1/2	11-15-98	30,000.00
10-05-70	Indianapolis Power	8	10-01-75	91,000.00
08-30-71	Public Service	7 3/4	08-15-96	75,000.00
08-15-72	U. S. Note	6 1/4	08-15-79	<u>65,000.00</u>

Ledger Balance - Bonds - June 30, 1973 \$ 973,000.00

Cash Balance 47,044.51

Total Cash and Investments \$1,020,044.51

The Workmen's Compensation Division of The Department of Labor and Industry
Statement of Operations of the Silicosis Fund

Period: July 1, 1972 to June 30, 1973

Exhibit N

Add:

Legislative Appropriations:

Operations - 13304	\$ 17,880.00
Benefits - 13226	632,120.00
Cancelled Warrants - 13226	<u>3,962.50</u>

Total \$653,962.50

Less:

Operations Expenses:

Salaries	\$ 4,804.28
Employee Benefits	618.86
Postage, Tel. & Tel.	353.26
Supplies & Materials	196.66
Travel	805.06
Medical Exams	<u>6,214.83</u>

\$ 12,992.95

Less Benefits Paid 609,157.86

\$622,150.81

\$ 31,811.69

Plus Accruals 127.11

Balance - June 30, 1973 \$ 31,938.80

Reconcilement-State Controller

Operations	\$ 4,887.05
Benefits	23,754.64
Plus Cancelled Warrants	3,170.00
Plus Accruals	<u>127.11</u>

\$ 31,938.80

The Workmen's Compensation Division of The Department of Labor and Industry
Statement of Operations of Loss Adjustment Account

Period: July 1, 1972 to June 30, 1973

Exhibit O

Balance - June 30, 1972 \$ 797.87

Income 800,000.00

Less Disbursements:

Salaries \$231,304.77

Benefits 27,740.03

Postage, Tel. & Tel. 6,857.86

Supplies and Materials 2,307.63

Travel 28,871.31

Travel Safety Inspectors 3,768.33

Travel Out of State 2,079.06

Capital Equipment 4,621.50

Repairs & Maintenance 51.55

Contracted Services 353,901.91

Other General Expense 257.50

\$661,761.45

Prior Year Accruals Paid 28,326.15 \$690,087.60

Balance - June 30, 1973 \$110,710.27

Plus Year End Accruals 4,305.20

Balance - June 30, 1973 \$115,015.47

Balance - State Controller - June 30, 1973 \$115,015.47

The Workmen's Compensation Division of the Department of Labor and Industry
OSHA
OCCUPATIONAL HEALTH
FUND 04040

Exhibit P

Balance - July 1, 197		\$27,967.46
Add:		
Cash Receipts		<u>19,648.29</u>
		\$47,615.75
Less Disbursements:		
Personal Services	\$29,893.13	
Operating Expenses	9,565.01	
Equipment	<u>7,835.27</u>	
		<u>\$47,293.41</u>
		\$ 322.34
Plus Accruals		<u>\$ 2,168.39</u>
		\$ 2,490.73
Less Prior Year Accruals		<u>\$ 322.34</u>
Balance - June 30, 1973		\$ 2,168.39
Balance - Controller - June 30, 1973		\$ 2,168.39

The Workmen's Compensation Division of The Department of Labor and Industry
OSHA
FEDERAL SAFETY
FUND 04880

Exhibit Q

Balance - June 30, 1972		\$ 56,256.59
Plus Income		<u>152,192.00</u>
		\$208,448.59
Less Disbursements:		
Personal Services	\$101,222.31	
Operations	43,586.54	
Equipment	15,048.60	
Total Expenses		\$159,857.45
Plus Prior Year Expenditure		<u>1,012.16</u>
		\$160,869.61
Balance Before Adjustment		\$ 47,578.98
Plus Accruals		10,848.46
Ledger Balance - June 30, 1973		\$ 58,427.44
Plus Payroll Adjustment		8,935.21
Controller Balance - June 30, 1973		\$ 67,362.65

The Workmen's Compensation Division of The Department of Labor and Industry

OSHA - FEDERAL STATISTICS
Fund 04890

Exhibit R

Balance - July 1, 1972 \$11,987.64

Add:

Deposits 22,822.70
\$34,810.34

Less Disbursements:

Personal Services \$20,263.96
Operating Expenses 13,140.75
Equipment 874.88
\$34,279.59

\$ 530.75

Plus Accruals \$ 3,644.34

\$ 4,175.09

Less Prior Year Accruals 76.24

Balance - June 30, 1973 \$ 4,098.85

Balance - Controller - June 30, 1973 \$ 4,098.85

The Workmen's Compensation Division of The Department of Labor and Industry
Schedule of Cash Receipts for Industrial Insurance Fund

Period: July 1, 1972 to June 30, 1973

Schedule I

Cash Premium	\$ 9,475,148.36	
Less: Non-Sufficient Fund Checks	1,514.44	\$ 9,473,633.92
Advance Deposits		271,395.50
Other Receipts		
Refunds		
Compensation	2,176.98	
Hospital	9,644.38	
Doctor	3,001.50	
Physical Thereapist	82.00	
Chiropractor	147.50	
Drugs	311.16	
Artificial Appliances	570.00	
Extra Legal	20.25	
Total Refunds		\$ 15,953.77
Recoveries		29,807.64
Penalties		62.88
Cancelled Firm Income		1,689.46
Profit on Sale of Bonds		2,602.15
Profit on Purchase of Bonds		2,175.00
Plus Items in Suspense		44,580.40
Total Other Receipts		96,871.40
Investment Receipts		
Interest on Bonds	\$1,059,455.08	
Interest on FHA Mortgages	47,382.69	
Less Accrued Interest Purchased	17,751.91	\$ 1,089,085.86'
Bonds Matured or Sold	\$ 1,266,605.51	
Commercial Paper Sold	12,161,168.77	
Principal on FHA Mortgages	113,502.03	\$13,541,276.31
Total Income		\$24,472,262.99

The Workmen's Compensation Division of The Department of Labor and Industry
Schedule of Cash Disbursements for Industrial Insurance Fund
Period: July 1, 1972 to June 30, 1973

Schedule II

	Disbursement Journal Total Amount	Plus Adjustments	Less Adjustments	Less Returns and Refund Items	Less Cancelled Warrants	Net Disbursements
Disbursements:						
Compensation:						
Temporary Partial	\$ 28,588.81	\$	\$	\$	\$	\$ 28,588.81
Temporary Total	1,946,254.84	464,370.99		2,176.98	5,998.51	2,402,450.34
Permanent Partial	2,049,740.20		464,370.99		1,092.00	1,584,277.21
Permanent Total	46,778.55					46,778.55
Fataals	351,826.07				88.00	351,738.07
Second Injury	3,500.00					3,500.00
Total Disbursements	\$ 4,426,688.47	\$464,370.99	\$464,370.99	\$ 2,176.98	\$ 7,178.51	\$ 4,417,332.98
Medical:						
Hospital	\$ 868,920.66			\$ 9,644.38	\$ 7.50	\$ 859,268.78
Doctor	633,769.38			3,001.50	1,727.49	629,040.39
Physical Therapist	10,434.25			82.00		10,352.25
Chiropractor	78,260.32			147.50	182.00	77,930.82
Osteopath	7,834.62				54.00	7,780.62
Dentist	23,149.00					23,149.00
Nurses	155.25					155.25
Ambulance	9,886.08					9,886.08
Drugs	38,568.97			311.16	59.92	38,197.89
Extra Medical	12,919.52				38.10	12,881.42
Artificial Appliance	14,227.62			570.00		13,657.62
Burial	13,714.67				500.00	13,214.67
Miscellaneous	6,039.43					6,039.43
Extra Legal	23,150.71			20.25		23,130.46
Total Medical Disbursements	\$ 1,741,030.48			\$13,776.79	\$ 2,569.01	\$ 1,724,684.68
Other:						
Refund of Advance Deposit	\$ 165,264.13			\$ 1,185.00	\$ 2,002.00	\$ 162,077.13
Vocational Rehabilitation	42,728.67					42,728.67
Refund of Premium	21,811.80				151.34	21,660.46
Refund of Audit	24,152.17				50.28	24,101.89
Cash Dividend	571,423.86				267.62	571,156.24
Purchase of Bonds	3,400,000.00					3,400,000.00
Purchase of Comm. Paper	12,161,092.86					12,161,092.86
Administrative Fee	590,000.00	\$219,488.00				809,488.00
Loss Adjustment Assessments	800,000.00		\$219,488.00			580,512.00
Total Other	\$17,776,473.49	\$219,488.00	\$219,488.00	\$ 1,185.00	\$ 2,471.24	\$17,772,817.25
Grand Total Disbursements	<u>\$23,944,192.44</u>	<u>\$683,858.99</u>	<u>\$683,858.99</u>	<u>\$17,138.77</u>	<u>\$12,218.76</u>	<u>\$23,914,834.91</u>

The Workmen's Compensation Division of The Department of Labor and Industry
Schedule of Administrative Expenses by Fund

Period: July 1, 1972 to June 30, 1973

Schedule III

	<i>I</i>	<i>II</i>	<i>III</i>	<i>Boiler</i>	
Salaries	\$ 53,246.35	\$124,981.00	\$134,369.73	\$ 518.12	\$313,115.20
Inspector Salaries	9,268.01	32,444.55	35,867.59	29,989.12	107,569.27
Benefits	7,142.41	17,890.82	19,449.41	5,248.91	49,731.55
Postage, Tel. & Tel.	3,343.41	11,043.49	18,574.70	1,525.75	34,487.35
Supplies & Materials	3,851.48	11,924.78	9,877.88	1,325.18	26,979.32
Travel	3,295.71	9,267.70	32,910.31	2,153.43	47,627.15
Travel Safety Inspectors	4,258.87	13,276.92	12,776.61	11,910.88	42,223.28
Travel Out of State	2,164.82	7,781.00	7,536.19	1,080.00	18,562.01
Auto Expense	1.34	3.21	2.97		7.52
Capital Equipment	3,715.26	9,250.00	9,152.02	1,946.43	24,064.70
Repairs and Maintenance	1,256.75	3,925.50	3,267.48	91.84	8,541.57
Contracted Services	31,556.28	91,409.10	145,089.21	4,770.50	272,825.19
Court and Legal	121.82	371.37	537.19		1,030.38
Lights and Gas	503.21	1,639.95	2,686.66	93.01	4,922.83
Other General Expense	1,035.22	4,533.86	4,737.82	163.63	10,470.53
Total	<u>\$124,761.04</u>	<u>\$339,744.24</u>	<u>\$436,835.77</u>	<u>\$60,816.80</u>	<u>\$962,157.85</u>